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SENSITIVE  
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STATE FOR NEA/ARP, NEA/RA  
STATE PASS TO USTR

E.O. 12958: N/A  
TAGS: [ETRD](#) [PREL](#) [SA](#)  
SUBJECT: MINISTER OF COMMERCE STRESSES SAUDI RETRACTION OF  
SECONDARY AND TERTIARY BOYCOTTS

REF: RIYADH 1301

11. (U) This is an action request - please see paragraph 4.

12. (SBU) On October 17, visiting A/USTR Chris Wilson raised concerns from some sources that Saudi Arabia may be enforcing the secondary or tertiary boycott of Israel. Minister of Commerce and Industry Abdullah Alireza categorically denied that Saudi Arabia was doing so, explaining that, in Saudi Arabia's WTO Working Party Report, the Saudi Government reiterated that it had eliminated these two parts of the boycott, and informed all Saudi entities of this decision. Alireza explained that he understood that this issue is important to the United States, and stressed that he wanted to be kept personally informed of any allegations that any entity in Saudi Arabia was seeking to enforce these aspects of the boycott. (Note: As part of its accession, Saudi Arabia did not invoke non-application of the WTO agreements to trade with Israel. End note.)

13. (SBU) Deputy Commerce Minister Al-Hamoudi explained to A/USTR Wilson that his ministry continues to work very hard to follow up on every single report of any attempt to enforce the secondary and tertiary aspects of the boycott. He noted that his ministry has, in previous years, received Department of Commerce teams for an annual inspection, which has shown in the last several years a steady decline in the number of reported cases. Al-Hamoudi explained that he personally tracks these cases very carefully. The most recent cases have actually come from American, or other foreign, companies that have been using out of date forms and contracts. When he receives reports of these kinds of cases, he contacts other SAG agencies, reminding them of the elimination of the secondary and tertiary boycotts.

14. (U) Action Request: Embassy Riyadh is unaware of any cases of companies reporting attempted enforcement of the secondary and tertiary boycotts. To the degree that the Department of Commerce is aware of any such reports, it would be useful to understand the source of the reports (e.g., which Saudi entities, government or private, were involved; on what date; etc.).

15. (U) This message was cleared by Assistant USTR for Europe and the Middle East Chris Wilson.  
SMITH